

**TESTIMONY OF LILLIAN DRUMMOND, SOUTH AUSTIN  
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**To the Congressional Hearing on Utility Deregulation and Federal  
Legislation Being Considered-Chicago, Illinois May 2, 1997.**

Wow! I never realized how tough it was to testify at a Congressional hearing. Electronic format, disc, 75 copies, two day advance. I really do need to learn computers and stuff but at 75 years of age my eyes aren't so good.

Well, anyway, welcome to Chicago, Congressman Schaefer, and thanks to Congressman Rush for inviting me to testify. My name is Lillian Drummond and I am the Utilities Chairperson of the South Austin Coalition. We're a grass-roots neighborhood organization on Chicago's predominantly African-American west side that works on community issues **from** potholes to drug dealers.

But no issue has been of greater importance to our residents than that of affordable utilities. Over the last twenty years, the South Austin Coalition has spearheaded organizing efforts of low-income utility customers in Chicago and Illinois. In the 70's we helped win the winter moratorium against **shutoffs**. In the **80's** we were one of the originating organizations of the 12% Affordable Budget Plan which for six years did much to prevent utility **shutoffs** for poor people. In the **90's**, with government cuts eliminating that percentage of income plan and chipping away at, federal LIHEAP funding, our focus has been on survival organizing, doing the one-to-one advocacy work between the utility company and the customer to keep the service on or restore it.

I get calls at the **office** or at my home 365 days a year. Our organization **gets** referrals from social service and government agencies, hospitals, schools, clinics, politicians, churches, and even the utility companies themselves. But the fact is that we only reach and help a small number compared to the many out there who truly need assistance.

In Chicago right now, there are approximately 200,000 utility customers who are on the hot list for disconnection and are being disconnected by both Commonwealth Edison and Peoples Gas for non-payment. The last of the federal LIHEAP funds ran out April 30th in Chicago. Many of these low-income households will now try to survive the spring and summer without hot water or heat or electricity. Some will never get their service back on because their incomes are too low and their bills too high. Some of the deaths in Chicago's Killer Heat Wave of 1995 were seniors who had their electricity disconnected for non payment.

**In short**, the current situation for low-income utility customers in Illinois under the current system is intolerable and **shameful**.

**Will things be better for very low-income utility customers after deregulation and competition?** I really don't know. The devil you'll get may be worse **than** the devil you've got. I know my phone bills aren't **any** lower and I certainly am totally confused by voice mail, phone directories, and which company is which. In Illinois, we are trying to make sure that whatever state plan goes forward will include a special **fund** for very low income customers. **All users** of utility service would pay into a **fund** for low-income customers. It is our hope that competition and deregulation would of course reduce rates for all customers as well.

**And yes, we would favor federal regulation that would require some uniform customer protections as well as the low-income fund in all the state plans.** The fact is most of us poor and working people trust the government more than we do the marketplace to protect our interests, although we don't have much confidence in either one.

**And what about customer service accessibility?** My **utilities staff person** tells me that Houston-based energy giant **Enron** is opening up sales offices in nearby Naperville. After they get into the Chicago market, will they **also** open up customer assistance and payment centers? Our monopoly utility companies are already eliminating customer assistance units as they get lean and mean in preparation for competition. We don't want to have the same problems we currently have **with** out of state mortgage **companies** **trying** to work out complicated problems over the phone with some low level clerk.

**Would there be a federal agency or Board that regulates and oversees?**  
**Would there be regional offices where customers can take complaints?**  
**What about the current state regulatory agencies?**  
**Who will be responsible for educating the consumers?**

I don't have the answers but these are questions that need to be addressed.

My last recommendation is that any federal legislation include some incentives, funds, and technical assistance to help low income customers form **their** own power buying cooperatives. We are traditionally **the stranded** and excluded group that benefits **least from** technological and market place change so this extra assistance would be **greatly** appreciated.

In closing, **I would** like to say to all of you that we have a great responsibility to represent the needs of the most vulnerable members of our society--the poor, the sick, the elderly, the unemployed, the disabled, and the children. The legislation and the policies we enact on this life and death issue of affordable utilities will have a tremendous impact on our society's future.

Thank you and God bless you all!

# Reconnection Day at Peoples Gas Turns On the Heat for Seventy Five Families!

Dec. 2, 1996

By Mary G. Denson

For once, South Austin Coalition's Lillian Drummond was all smiles. Wearing a red and white Santa Claus cap, the city's foremost advocate for low-income utility customers was holding forth at the eleventh Annual Reconnection Day sponsored by Peoples Gas, The Community Economic Development Association of Cook County, and South Austin Coalition and other Chicago member organizations of the Affordable Budget Coalition.



It was "Let's Make a Deal" day for 135 heatless families whose gas had been disconnected and still had not been restored because they could not come up with their required amount and because emergency federal energy assistance funds had run out.

"We were able to get reconnection agreements for turn on's before Christmas for seventy-five of those who came," said Drummond, "including a number of senior citizens and families with very large bills."

A key breakthrough in SACC's Heat by Christmas Campaign came two days earlier when the Illinois Department of Commerce and Community Affairs released an additional \$1 million in federal energy assistance dollars to aid those still shut off. This development

was triggered by a rally at the Mayor's Office and the Governor's Office the week before and media attention to the shutoff issue helped by the extreme cold weather.

At the Reconnection Day, South Austin Coalition advocates including Drummond, Rev. Elizabeth Bynum, Dorothy Daniel, Theresa Welch, and Bob Vondrasek negotiated on behalf of individual customers with gas customer representatives utilizing what the customer could pay with commitments of \$500 energy assistance grants.

"We had some great successes, including one of our seniors whose bill was over \$4,000," said South Austin Coalition Seniors Chair Rev. Elizabeth Bynum. "But the most moving story was the lady who was \$100 short of the money she needed. She came back out of the booth crying and one lady waiting in the large crowd called out - 'How much does she need?' I'll put in \$5. And did you know within a few minutes all these people whose gas was shut off had raised the \$100!" Valerie Kent who started the collection of the \$100 also got her heat back on.

But South Austin Coalition knows the feel-good successes of the Christmas Reconnection Day only reached a handful of the 5,000 remaining heatless in Chicago. Last week a south side senior was found dead in her home apparently because her utilities had not been restored.

"We're still doing one-to-one deals over the phone to get utilities restored for people," said Drummond who fields calls from all over the city because nobody else does this painstaking life-saving work. "Clearly, we need the City, State and Federal Government to deal with the affordability of basic utility service for the poor."



Valerie Kent, who started the collection, pictured with the senior and another client on reconnection day.

## Drummond gets Bill's attention

by Chinta Strausberg

Lillian Drummond, 72, has been an advocate for the poor for decades, but Monday she surprised even herself when she finagled her way to an eyeball-to-eyeball meeting with Resident Bill Clinton.

Her mission: To ask him not to cut \$745 million from a low-income energy assistance program.

It took some doing to get an eyelash away from Clinton, but Drummond, known to "raise hell" with a number of mayors in this town on issues that negatively affect the poor, is the determined utility chairman of the South Austin Coalition Community Council and the Affordable Budget Coalition statewide.

Drummond went to Wright College never thinking she could get in let alone meet and greet the president.

"I saw a young lady I knew who was not going in so, I asked to use her pass." Once inside of the school Drummond said she was pushed aside,

Undaunted, Drummond said she spotted a former West Side businessman who allowed her to get in front of her. Think I can meet the president?' she asked her friend as she clutched her letters she wanted to give him.

"I jumped over some chairs in the auditorium and there he was shaking hands and greeting people. When it was my turn, I told him, 'Mr. Resident, I'm Lillian Drummond, the lady who keeps writing you, and I want you to please read my letters on scrapping plans to cut funding for the energy assistance program.'"

Drummond's current battle is opposing a proposed 58 percent cut in the Low Income Home Energy Assistance Program for fiscal year 1995.

She said the proposed cuts would be 'disastrous' for the indigent.

Drummond said the cuts affect those earning less than \$8,000, mostly senior citizens on fixed incomes, the disabled, families with children and those at the bottom of the economic ladder.

Earlier Monday, the City Council Committee on Energy, Environmental Protection and Public Utilities, headed by Ald. Mark J. Fary (12), approved a resolution also opposing the proposed energy assistance cuts.